



State of Utah

Department of
Natural Resources

ROBERT L. MORGAN
Executive Director

Division of
Oil, Gas & Mining

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Division Director

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Governor

GAYLE F. McKEACHNIE
Lieutenant Governor

June 29, 2004

Mr. Stan Wagner
Ziegler Chemical and Mineral Corporation
Star Route
Vernal, Utah 84078

Subject: Approval of Drill Plan for Gilsonite Lease U-0115850, Ziegler
Chemical and Mineral, Ziegler Gilsonite Operations, M/047/013, Uintah
County, Utah

Dear Mr. Wagner:

On May 28, 2004, the Division received your proposal to modify the drill plan for Gilsonite Lease U-0115850. All of the holes will be drilled from existing roads.

The Division hereby approves the proposal subject to approval from the Bureau of Land Management. Because drilling would be entirely from existing disturbances, no additional reclamation bonding is required. If you encounter artesian flow or significant non-artesian groundwater, you will be required to follow the plugging requirements of R647-4-108.

If you have questions or concerns about this approval, please contact Paul Baker at 801-538-5261. Thank you for your cooperation.

Sincerely,

D. Wayne Hedberg
Permit Supervisor
Minerals Regulatory Program

DWH:PBB:jb

cc: Stan Perkes, BLM State Office
Pete Sokolosky, Vernal BLM

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